

FINAL BILL REPORT

HB 2222

C 5 L 01

Synopsis as Enacted

Brief Description: Providing funding for emergent needs.

Sponsors: Representatives Sehlin (co-prime sponsor), H. Sommers (co-prime sponsor), Ahern, Alexander, Anderson, Armstrong, Ballard, Ballasiotes, Barlean, Benson, Berkey, Boldt, Buck, Bush, Cairnes, Campbell, Carrell, Casada, B. Chandler, G. Chandler, Chopp, Clements, Cody, Conway, Cooper, Cox, Crouse, Darneille, DeBolt, Delvin, Dickerson, Doumit, Dunn, Dunshee, Edmonds, Edwards, Eickmeyer, Ericksen, Esser, Fisher, Fromhold, Gombosky, Grant, Haigh, Hankins, Hatfield, Hunt, Hurst, Jackley, Jarrett, Kagi, Keiser, Kenney, Kessler, Kirby, Lambert, Lantz, Linville, Lisk, Lovick, Marine, Mastin, McDermott, McIntire, McMorris, Mielke, Miloscia, Mitchell, Morell, Morris, Mulliken, Murray, O'Brien, Ogden, Pearson, Pennington, Pflug, Poulsen, Quall, Reardon, Roach, Rockefeller, Romero, Ruderman, Santos, Schindler, D. Schmidt, Schoesler, Schual-Berke, Simpson, Skinner, Sump, Talcott, Tokuda, Van Luven, Voloria, Wood and Woods.

Background:

In response to the Nisqually earthquake of February 28, 2001, Governor Locke instructed the Military's Emergency Management Division to coordinate all earthquake-related assistance to affected areas. The next day, President Bush declared Washington a major disaster area, triggering the release of federal funds to supplement recovery efforts.

The Federal Emergency Management Agency (FEMA) offers assistance that includes grants to help pay for temporary housing, minor home repairs, and other serious disaster-related expenses. Low-interest loans from the U.S. Small Business Administration are also available to cover residential and business losses not fully compensated by insurance.

There are two types of disaster recovery grants for individuals and state government, for which the state is expected to contribute funds. The state is responsible for a 25 percent match to the FEMA's 75 percent funding level, for each of these programs.

The Low Income Home Energy Assistance Program (LIHEAP) is a federally funded block grant program providing assistance to low income households. Fifteen percent of the LIHEAP funds are designated for home weatherization services and 85 percent are for the Energy Assistance Program. There is no state funding for these programs.

The Energy Assistance Program provides funds to pay a portion of home heating costs.

Funds are provided to low income households through a service network of 27 state contractors consisting of 24 nonprofit organizations and three local governments. Eligibility for the program is restricted to household incomes below 125 percent of the poverty level. Approximately 47,000 households received benefits during the 2000 program year. Energy assistance benefits are based on household annual heating costs, family size, and income. The benefit amount ranges from 50 percent to 90 percent of the actual heating costs. The minimum benefit is \$25 and the maximum is \$700. The average benefit provided in program year 2000 was \$300.

The emergency reserve fund consists of general fund revenues in excess of the state expenditure limit.

Summary:

\$1 million is appropriated from the emergency reserve fund to the Military Department for deposit into the Nisqually earthquake account. The Nisqually earthquake account is created in the state treasury and is subject to appropriation. Tax revenues, budget transfers or appropriations, federal appropriations, or gifts may be placed in the account.

The Military Department is granted spending authority of \$4 million: \$1 million representing the state share and \$3 million representing the federal share, for response and recovery costs associated with the Nisqually earthquake.

\$1 million is appropriated from the emergency reserve fund to the Department of Community, Trade, and Economic Development for the fiscal year ending June 30, 2001, and \$4 million is appropriated from federal funds for the fiscal year ending June 30, 2001, for energy assistance through the Low Income Home Energy Assistance Program.

Votes on Final Passage:

House 93 0
Senate 48 0

Effective: March 12, 2001